

## BIG RAILWAY DEAL

GATES SECURES LOUISVILLE AND NASHVILLE SOUTHERN TO THE FRONT

Immense Sales of its Stock on New York Exchange. The Record Broken with the Sale of 864,500 Shares—Many Conferences of the Different Interests—Gates Places Matter into Hands of Morgan & Co.—Uncertainty as to Where the Southern Stands as to the Other Road.

New York, April 15.—Wall street passed through one of its most exciting and sensational periods today. The Louisville and Nashville situation, which had hung menacingly over the district for a week or more, was cleared by the undisputed statement that John W. Gates and his assistants had wrested control of the property from the Belmont party and were in absolute possession. Accompanying this statement, which had been discounted the day before, was one that the Gates faction had selected J. P. Morgan & Co. to settle the differences between the contending interests.

While these events were happening a movement without parallel in history of the stock exchange was on in Southern railway. Trading in Southern railway common set in on a tremendous scale and at one time interest centered almost entirely in that stock.

It became evident before the opening of the market that a settlement would be reached. At the office of J. P. Morgan & Co., a series of conferences began before 10 o'clock. Those present during the morning were George W. Perkins and William Pierson Hamilton, representing the Morgan interests; August Belmont, Samuel Spencer, president of the Southern railway; Edwin Hawley, president of the Iowa Central and the Minnesota Central; and St. Louis roads: John W. Gates, Talbot J. Taylor, head of the brokerage firm of that name, and son-in-law of James R. Keene, and Francis Lynde Stetson, one of Mr. Morgan's attorneys. This conference broke up shortly before 11 o'clock.

Mr. Gates was among the first to leave, and it soon became known that he would issue a statement telling of a peaceful solution of the situation. Shortly before noon the appended announcement was given out by the brokerage firm of Messrs. Gates & Co., in which John W. Gates is a special partner:

"We have bought a large amount of stock of the Louisville and Nashville road. We did not buy it for speculation, but for investment, believing absolutely in the present and future value of the property. There will not be any 'corner' in the stock. We have placed the entire matter in the hands of J. P. Morgan & Co., and requested them to act as arbiters in the situation because of the prominence of the property and the desire not to disturb in any way the general market conditions, and because we know that they (Morgan & Co.) have no interest whatever in the property or in its recent purchases."

This statement was later changed so that it read: "We have bought control," etc. The correction was made by John F. Harris, who had just paid a second visit to the Morgan banking house.

Mr. Belmont made another hurried visit to Morgan & Co.'s soon after the Gates statement was issued. He declined to say anything, as did the Morgan representatives.

Mr. Perkins, who had been most active in the preliminary negotiations, seemed at first disposed to say something dealing with the terms arranged between the Gates and the Belmont factions. He changed his mind, however, and announced that some definite declaration would be made by the arbiters later in the afternoon.

When that time came, Mr. Perkins decided to withhold the Morgan statement until late at night. Mr. Belmont on hearing of this, decided to withhold anything he might have for publication until the Morgan statement had been issued. Mr. Perkins and Mr. Belmont were in conference late in the afternoon, and both said that formal declarations would be sent out by them before midnight.

Throughout the day operations in Southern railway shares continued on an enormous scale. The demand was extraordinary almost from the outset. The common stock advanced 3 1/2 and the preferred 2 1/2 points. Blocks of 5,000 and 10,000 shares were common and there was one "string" of 30,000 shares and another of 37,000, while the trading was at its height. Much of the early buying was attributed to Morgan influence, but it soon became clear that the Gates clique as well as room traders generally were taking a hand in the game.

In the first half hour fully 200,000 shares of Southern railway common changed hands. By the end of the first hour transactions in this stock alone reached a total of over 350,000 shares. By noon considerably more than 500,000 shares had changed hands.

Dealings fell off after that to some extent, but the records for the number of shares of a single stock sold in one hour. In two hours and in one day's trading were all shattered as a result of Southern railway's performance today. The total sales for the day reached a total of 864,500 shares. The total outstanding stock of the company is 1,300,000 shares. On April 24, 1901 there were 662,800 shares of Union Pacific sold on the New York stock exchange during the struggle between the Morgan and Harrison interests which culminated in the May panic. That record was broken today.

There were complaints that no order for less than 1,000 shares could be executed. The stock sold after the opening at 34 1/2, compared with 34 1/4 last night. There were numerous fluctuations before it advanced to 40 1/2 and after the reaction from the top figures.

About this same time there was marked strength in Illinois Central and Chicago, Indianapolis and Louisville (Monon) based, presumably on the belief that these roads would benefit in some way by the selection of Morgan & Co. as arbiters of the situation.

The wildest rumors and reports were circulated to account for the record breaking activity of Southern railway common. Veteran brokers failed to understand why Morgan interests should want to increase their holdings of this stock. Later, when it was seen that the Gates crowd and speculators generally were buying in Southern common the movement partook of a purely speculative character, and although the stock continued to rise, the activity throughout, heavy profit taking sent it below the high level. In spite of numerous attempts to rally, the price fell off to 37 1/2 and the closing was 37 1/2, a net gain for the day of 3 1/2.

Louisville and Nashville shares advanced at the opening, but fell off almost as soon as the "bulge" in Southern railway came. Transactions in Louisville and Nashville aggregated about 58,000 shares, the stock closing at 127, a net loss for the day of one point. Fully two score brokers were active in the buying and selling of Southern railway common. About half the room traders and "free lances" took a hand in the game at one time or other. Harris, Gates & Co., were reported to have bought and sold 250,000 shares in the course of the day.

That the Southern Railway Company will have considerable say as to the future of Louisville and Nashville became the conviction of most Wall street men before the close of the day. President Spencer, when asked as to the future relations of Southern and Louisville and Nashville, made this statement:

"The Southern railway has no interest in the purchase and it will have no interest in it at any time in the future. Louisville and Nashville will not pass to the Southern railway."

"Neither directly or indirectly?"

"Neither directly or indirectly, in any shape, manner or form will the Southern railway have anything to do with the Louisville and Nashville."

Mr. Spencer, Mr. Gates, Mr. Harris, Mr. Perkins, Attorney Stetson and several other of the interested parties held another conference at Morgan & Co.'s late in the afternoon. This conference preceded the meeting between Mr. Perkins and Mr. Belmont at which it was decided not to issue the Morgan-Belmont statement until late at night.

Edwin Hawley, who had not figured in the Louisville and Nashville matter before the previous day, was also among the late callers at Morgan & Co.'s. Mr. Hawley's interest in the situation has not been made clear, but he requested the statement earlier in the day that he was a large holder of Louisville and Nashville stock, and a firm believer in its future prosperity. Reports recently coupled Mr. Hawley's name with that of Mr. Gates in the recent Colorado Southern and Colorado Fuel and Iron deals.

No definite statement as to what disposition Morgan & Co. may make of Louisville and Nashville is looked for until the pending legal entanglements growing out of the Great Northern Pacific merger are settled. Should Southern railway acquire a majority interest in Louisville and Nashville, it is assumed that the Illinois Central road, which parallels Louisville and Nashville territory, and is dominated by the Harrison interest, will receive some very substantial concessions. That Illinois Central desires a majority interest in Louisville and Nashville is not generally believed.

George W. Perkins, a member of the banking house of J. P. Morgan & Co., gave out the following statement tonight:

"At the request of Messrs. Harris, Gates & Co., who on their own independent account have recently made large purchases of Louisville and Nashville railroad stock, Messrs. J. P. Morgan & Co. bankers have consented to take control of the stock so purchased and to receive the same on deposit."

"They have so consented solely to relieve the general financial condition and not for the benefit of any railway company. The Southern railway has no interest, direct or indirect, present or prospective, in this stock or in its purchase or deposits. Messrs. J. P. Morgan & Co., are acting with the cordial assent of Messrs. August Belmont & Co."

On this statement being shown to August Belmont, the latter read it carefully and then gave out the following typewritten statement:

"I have been aware of the negotiations by which J. P. Morgan & Co. have consented to take control and deposit of the stock of the Louisville and Nashville Railroad Company, purchased by Harris, Gates & Co. The statement by Messrs. J. P. Morgan & Co., just made public has my unqualified approval and there will be no contest for the control of the Louisville and Nashville Railroad Company."

Louisville, Ky., April 15.—The Post today says:

Governor J. C. W. Beckham was asked if he would take any action to prevent the absorption of the Louisville and Nashville road by the Southern road, if such an attempt was made. He said:

"I have considered this matter but I am not ready to state at this time what steps I will take. My action will be governed by the law of this state in this connection and it is well known what that law is."

The law is as follows: "No railroad, telegraph, telephone, bridge or common carrier company shall consolidate its capital stock, franchises or property, or pool earnings in whole or in part with another railway, telegraph, telephone, bridge or common carrier company owning a parallel or competing line or structure, or acquire by purchase, lease or otherwise any parallel or competing line or structure, or operate the same, nor shall any railroad company or other common carrier companies make any contract with the owners of any vessel that leaves or makes port in this state, or with any common carrier, by which combination contract the earnings of the one doing the carrying are shared by the one not doing the carrying."

After arriving in New York from Naples much of the baggage of the passengers of the steamer Maurice Mendhethe is taken out in a burned condition. The knowledge the passengers had of a fire on board, which started when they were a day out.

## THE SUBSTITUTE

FOR CHINESE BILL ADOPTED BY THE SENATE ONLY ONE NEGATIVE VOTE

Cast on the Final Passage of the Bill—Senator Hoar's Views on Universal Equality Force Him to Oppose All Exclusion Measures—The Present Law, With Some Unimportant Amendments Re-enacted. House Votes to Close Debate on Cuban Reciprocity Bill—Many Democrats Support the Resolution.

Washington, April 16.—The drastic Chinese exclusion bill originally framed by the senators and representatives from the Pacific coast states met defeat in the senate today and in its place was substituted a measure offered by Senator Platt, of Connecticut, extending the provisions of the present exclusion law and also applying that exclusion law to all insular territory under the jurisdiction of the United States.

The vote by which the substitute took the place of the original bill was: Yeas 48; nays 23. Once the substitution had been made all senators joined in its support with the single exception of Senator Hoar, the substitute being passed—76 to 1.

The friends of the substitute showed their strength throughout the voting on amendments that preceded final action and succeeded in preventing any material change in its features. Some minor changes were made, admitting Chinese connected with national expositions and providing for certificates of identification of Chinese in our insular possessions. Otherwise, however, the substitute was adopted substantially in the form that Senator Platt presented it.

The senate after disposing of the Chinese exclusion bill, turned to the Philippine civil government bill the unfinished business.

The senate failed to substitute the enactment clause of the house bill for the senate measure so that the bill will go to the house as an original measure and from a parliamentary standpoint will have to be acted on and treated the same as though the house had not passed a Chinese exclusion bill.

Prior to taking the vote speeches were made by Senators Turner, Patterson, Hanna and Fairbanks.

Senator Lodge then asked for a vote on his amendment striking out the provisions prohibiting the employment of Chinese sailors as a measure of protection to American sailors. The amendment prevailed—47 to 29.

Senator Carmack, of Tennessee, proposed an amendment applying the exclusion to Chinese "not citizens of the United States" which was agreed to after some debate.

Senator Dillingham proposed an amendment admitting "not to exceed five good-faith representatives of each regularly established Chinese wholesale house." It was lost—13 to 57.

Senator Quay proposed an amendment that the bill should not apply to Chinese Christians or Chinese who assisted in the defense or relief of the foreign legations or the Pe-Tang cathedral in Peking in 1900. The amendment was lost.

Senator Platt, of Connecticut, then offered his substitute, extending the present exclusion law. He said the United States was committed to the policy of exclusion, and any suggestion that senators opposing the bill were seeking to break down the exclusion policy was gratuitous and without foundation.

Senator Platt said the objections to the bill were that it was unnecessary; it was offensive to China at a time when we sought her good will; it improperly enacted treasury regulations as law.

An amendment by Senator Mallory, adding to the Platt substitute the sailors clause was defeated—29 to 50. An amendment by Senator Cockrell was agreed to, that the provisions of the substitute should not apply to Chinese coming to participate in expositions, etc.

Senator Mitchell, of Oregon, offered an amendment to the substitute several sections of the original bill providing for taking out Chinese certificates of our insular possessions, and amendments for that purpose were unexpectedly carried by the close vote of 41 to 40.

The decisive vote was then taken on the substitute proposed by Senator Platt, of Connecticut, extending the present exclusion laws and this prevailed—48 to 23.

Before the final vote was taken on the passage of the substitute bill, Senator Hoar gave notice that he would vote against the measure and in this connection he made earnest protest against the principle of exclusion. He believed that everything in the way of the passage of the bill was accomplished without involving the principle of exclusion at a particular class or race. Holding, as he did, that every soul had its rights, and that these rights were not dependent on color or race, he recorded his protest against this measure.

The bill then was passed—76 to 1. Senator Hoar being the only one recording himself in the negative.

House of Representatives. As presaging the passage of the Cuban reciprocity bill, the friends of that measure won a substantial victory in the house today by carrying a motion to close the general debate on Friday at 3 o'clock. The vote was 153 to 123. Thirty-three republicans voted against the motion, but this defection was offset by thirty-two democrats who voted with the great body of the republicans for it. The strength of the republican opposition to the bill, judged by this vote, has decreased six votes since the vote was taken on the motion to go into committee of the whole to consider the bill, when the vote stood 167 to 30.

Among the democrats who voted for the motion were Messrs. Adamson, of Georgia; Bankhead, of Alabama; Bartlett, of Georgia; Bowie, of Alabama; Brantley, of Georgia; Burnett, of Alabama; Chandler, of Mississippi; Clayton, of Alabama; Elliott, of South Carolina; Fox, of Mississippi; Griggs, of Georgia; Harbo, of Mississippi; Howard, of Georgia; Johnson, of South Carolina; Klutz, of North Carolina; Leever, of South Carolina; McLain, of Mississippi; Peou, of North Carolina; Scarborough, of South Carolina; Spight, of Mississippi; Taylor, of Alabama; Thomas, of Alabama; Wainwright, of Alabama; Wiley, of Alabama; Williams, of Mississippi.

## CLERK AND STOCK GONE.

Mysterious Disappearance from a New York Bankers' Office.

New York, April 16.—Ames, Swan & Co., bankers and brokers, tonight asked the police to aid them in clearing up the mystery of the disappearance from their office today of 100 shares of Chicago, Milwaukee and St. Paul stock, said to be worth about \$17,000. The firm also asked that the non-appearance of their confidential book-keeper, Allen F. Hedges, be looked into.

Mr. Hedges entered the firm's employ about a year ago. He went out at his usual time for luncheon today and a minute later a member of the firm asked for the 100 shares of stock, which had been brought in but a little while before from A. S. Leyland & Co. The cashier happened to be out when the stock was received and it did not pass through his department. When inquiry was made for it no trace of the shares was to be had, and Hedges did not come back from lunch.

Inquiry was made at both the stock and consolidated exchanges, and from the latter word was received that the shares had been handled there and sold to Zimmerman & Forshey, bankers. That house was notified and further sale of the stock stopped until the mystery could be explained. The stock had not been purchased outright, but had been taken as collateral for a loan of \$5,000 and no greater sum was involved as far as loss to Ames, Swan & Co., might be considered.

Expert accountants were at once put to work on the books of the firm and worked through the night to see if any other losses could be traced. Up to a late hour no additional ones were found. During the year Hedges had been with the firm he handled large sums of money and was considered honest. He is 45 years old, married and lives in Brooklyn.

## SOUTHERN NEGRO CONGRESS

To Meet in Galveston in July—The Objects of the Meeting.

Galveston, Texas, April 16.—It is expected there will be about 600 delegates at the southern negro congress which will convene in this city July 1st to 5th. Among them will be some of the most prominent negroes of the southern states. They will be appointed by the governors of the respective states, ten from each congressional district, and five at large from each of the states that will be represented. The first session of the congress was held at Jackson, Miss., about a year ago. The object of the convention is to create a better feeling between the races and to foster any move for the uplifting of the negro race. The chief matters discussed will be the importance of education, the question of outrages and lynchings and the negro in politics.

Colonel Crowder, the United States officer assigned by the government to investigate the reported maintenance of an alleged British supply camp at Port Chalmette, today examined the charges declaring that munitions of war were being shipped from Chalmette to South Africa.

All the recent evidence is understood to have been largely in support of the charges made by Governor Heard, and some portions are said to have gone for the investigation submitted to Secretary Hay by the governor.

## THE SEABOARD IN THE DEAL.

Looking after Continuance of its Close Relations With the Louisville and Nashville.

Baltimore, April 16.—It is learned today from a semi-official source that the Seaboard Aid Line railway figures in the general understanding reached in New York in connection with the Louisville and Nashville sale. This, it is stated, assures the continuance of the friendly relations existing between the seaboard and the Louisville and Nashville.

It is understood that conferences have been held between the Morgan interests and representatives of the Seaboard. President John Skelton Williams, of the latter, and President Samuel Spencer, of the Southern railway, were present at these conferences. It has been expected that some understanding would be reached with the Seaboard with the idea of securing its co-operation with a community of interest plans.

There is a disposition in local circles close to the Seaboard to think that the state party contemplated making a bid for the Seaboard and that the Morgan plan to secure a general understanding intervened and stopped this move.

## THE TALMAGE FUNERAL.

The Remains Interred With Simple Ceremonies.

New York, April 16.—The remains of the Rev. Dr. T. DeWitt Talmage were interred in Greenwood cemetery today. The services at the grave, which were very simple, were conducted by the Rev. Dr. J. Howard Suydam, of Rhineback, N. Y.

## STRIKERS USE DYNAMITE.

Rioting in Belgium Towns—Three Hundred Thousand Men on Strike

Brussels, April 16.—A dynamite cartridge was exploded during the day on the railroad track near Arlon. The explosion badly damaged the railroad bridge, but traffic was not interrupted. Serious disorders have occurred at Cockeril, in the coal fields of Beraing. A detachment of Lancers was compelled to repeatedly charge a mob, numbering about 2,000 persons, engaged in throwing stones at the troops. Many people were injured. The cafes in which the rioters took refuge were sacked.

This evening it was announced that 150,000 men were out on strike in the districts of Mons, Charleroi and Liege alone. Many men have stopped work in other sections of the country, but it is difficult to accurately estimate their number. It is known, however, that 5,000 men have struck at Aterp.

It is estimated tonight that nearly 300,000 have gone on strike. The movement is well organized, but, as the men are short of funds, it has been arranged that in all trades in which the cessation of operations would inconvenience the public—such as bakers, etc., the men shall continue working and contribute to the support of the others.

## WAR ENDED AGAIN

PEACE RESTORED ON ISLAND OF LUZON THE FILIPINOS REJOICING

At Prospect of Renewal of Peaceful Activities—Delighted with their Treatment in the Camps of Detention—Holomen Volunteering their Services—General Malvar's Unconditional Surrender—Glowing Reports from Generals Wheaton and Bell—Similar News from Samar Only Delayed by Defective Cable.

Manila, April 16.—General Malvar has unconditionally surrendered to Brigadier General J. Franklin Bell at Lipa, Batangas province, with the entire insurgent force of the provinces of Laguna and Batangas. General Bell says his (Bell's) influence is sufficient to quell the insurrectionary movements in Tayabas and Cavite provinces and capture all those in the field who have not yet surrendered; but Malvar has ordered the complete surrender of every insurgent to the nearest American force.

General Wheaton, reporting to the division headquarters, says that all resistance in his department has ended and that the surrenders just announced mean that the ports will be opened and that the Filipinos in the detention camps can be allowed to return to their homes in time to plant the crops.

General Wheaton is especially pleased with General Bell's care of the natives confined in the camps. The officers in charge are held personally responsible for the quality and quantity of the food served out and for the general welfare of the occupants of the camps. After scouring the mountain passes, General Bell employed volunteer bolomen for protection against bandits. Numbers of Filipinos volunteered and expressed the liveliest satisfaction at the treatment accorded to themselves and to their families, who were in the concentration camps.

General Wheaton gives General Bell great credit for his indefatigability in conducting the campaign. He was in the field, on horse back, day and night, superintending the most arduous operations.

The people of Manila are delighted at the prospect of a resumption of trade with the pacified provinces and are anxious to show General Bell, Wheaton and Bell their appreciation of the fact that the insurrection is really over.

About 3,000 rifles have been received by the American officers in Batangas and Laguna provinces during the past four months.

General Malvar personally requested an interview with General Bell in order to make his complete submission. The lack of news from the island of Samar is due to a defective cable. It is believed, however, that the American commander there received yesterday the surrender of all the insurgents. Samar unless the planned proceedings were altered.

A case of cholera has occurred on the transport Hancock, which arrived here on Sunday last and she has been quarantined.

## FIRE IN AN OCEAN STEAMSHIP.

Passengers Unaware of their Danger Until End of the Voyage.

New York, April 16.—Directed by officers of the steamship Marlee Mindhetti, the crew of the steamer took from her hold today a great quantity of burned baggage belonging to the 825 steerage passengers who departed from the vessel yesterday on her arrival. The taking out of the baggage was the first intimation the passengers had that their lives had been in peril from fire when one day out of Naples, from which port the steamer sailed March 29.

Some hay was on fire in one of the forward compartments of the hold. The passengers saw the smoke, but were told the ship was being fumigated. This satisfied them and the officers and crew kept the real cause secret. The fire burned eighteen hours before it was brought under control.

Today a representative of the steamship company was waiting on the pier with a satchel full of money and as each immigrant who had suffered loss through the fire presented his claim he was paid. The loss on baggage was \$1,500 and much more on the steamer.

## CHURCH ROBBED AND BURNED.

More Industrial Charters Granted. To Establish a Negro Organ.

(Special to The Messenger.) Raleigh, N. C., April 16.—Union Grove colored Baptist church at Youngville, this county, was burned by an incendiary after robbing the church treasurer, Simon Holding. Rev. P. B. Edwards, of Raleigh, is pastor. The church was valued at \$1,500.

Negroes have decided to establish a newspaper here as the organ of their race. It was first Senator Pritchard. Henry River Manufacturing Company, of Burke county, chartered today, with a capital of \$75,000, will manufacture cotton goods. The Kinston Furniture Company is authorized to issue \$12,000 preferred stock. A charter is granted the Working Men's Reading and Social Club, of Winston-Salem.

In a game of base ball here this afternoon, the Agricultural and Mechanical college defeated Oak Ridge—5 to 1. The governor and state superintendent speak at LaGrange, Lenoir county, tomorrow evening at the closing of the public schools.

The Chinese rebellion is increasing alarmingly. Two thousand imperial soldiers have been ambushed and all killed or captured.